

**APPLICATION FOR PERMISSION TO CHANGE POINT OF
DIVERSION, MANNER OF USE AND PLACE OF USE OF THE
PUBLIC WATERS OF THE STATE OF NEVADA
HERETOFORE APPROPRIATED**

Date of filing in State Engineer's Office JUL 21 1997
Returned to applicant for correction OCT 07 1997
Corrected application filed NOV 26 1997
Map filed NOV 26 1997

The applicant Kerr-McGee Chemical Corporation, hereby make application for permission to change the point of diversion, place of use, and manner of use of a portion of water heretofore appropriated under Permit No. 55674

1. The source of water is Underground
2. The amount of water to be changed 100 acre-feet (0.149 cfs)
3. The water to be used for mining, milling, and domestic
4. The water heretofore permitted for commercial
5. The water is to be diverted at the following point in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 14, T.18S., R.63E., M.D.B.&M., at a point from which the N $\frac{1}{4}$ corner of said Section 14 bears N.75° 44' 31" W. 1884.51 feet.
6. The existing permitted point of diversion is located within NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 16, T18S, R64E, M.D.M. Clark County, NV. Course and distance from well to northeast corner of Section 16, T18S, R63, M.D.M., are N 78° 18' 25" E and 4154.45 feet respectively.
7. Proposed place of use Please see attached addendum.
8. Existing place of use 166 acres in Sections 9, 10, 15 and 16 T18S, R63 E, M.D.B.&M., Clark County, Nevada. See map filed with Application No. 54232
9. Use will be from January 1 to December 31 of each year.
10. Use was permitted from January 1 to December 31 of each year.
11. Description of proposed works Please see attached addendum.
12. Estimated cost of works \$100,000 to upgrade the existing works.
13. Estimated time required to construct works Twelve months to upgrade the existing works.
14. Estimated time required to complete the application of water to beneficial use Twelve months.
15. Remarks: The 100 acre-feet covered by this application is a portion of Permit No. 55674. This will be diverted at a rate of 0.149 cfs.

By Kerr-McGee Chemical Corporation
s/Tommy W. Coleman
P. O. Box 25861
Oklahoma City, Oklahoma 73125

Compared my/CMS jr/cms

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the point of diversion, place and manner of use of a portion of the waters of an underground source as heretofore granted under Permit 55674 is issued subject to the terms and conditions imposed in said Permit 55674 and with the understanding that no other rights on the source will be affected by the change proposed herein. The well shall be equipped with a 2-inch opening and a totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.149 cubic feet per second, but not to exceed 100.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

June 4, 1999

Proof of completion of work shall be filed before:

July 4, 1999

Application of water to beneficial use shall be filed on or before:

June 4, 2000

Proof of the application of water to beneficial use shall be filed on or before:

July 4, 2000

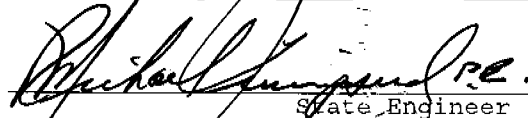
Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office,

this 5th day of June, A.D. 1998


State Engineer

Completion of work filed AUG 03 1999

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

Addendum

7. Proposed place of use: Mill Site situated in the E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$, and the W $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 26, T.18S., R.63E., M.D. & M. Nevada; and mining claims (for road watering) in the SW $\frac{1}{4}$ and the W $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 14; the NW $\frac{1}{4}$, the W $\frac{1}{2}$ of the W $\frac{1}{2}$ of the NE $\frac{1}{4}$, the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$, the N $\frac{1}{2}$ of the SW $\frac{1}{4}$, the N $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$, the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$, the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$, and the N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$, of Section 23; the E $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the SE $\frac{1}{4}$ and the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$, of Section 22; the E $\frac{1}{2}$ of the NE $\frac{1}{4}$, and the E $\frac{1}{2}$ of the SE $\frac{1}{4}$, of Section 27; the N $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 34; the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 35 ; the W $\frac{1}{2}$ of the SW $\frac{1}{4}$, the N $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$, the W $\frac{1}{2}$ of the NW $\frac{1}{4}$, the W $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$, the S $\frac{1}{2}$ of the SE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$, the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$, the W $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, and the S $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of the NE $\frac{1}{4}$, of Section 26, all in Township 18 S, Range 63 E, Mount Diablo Meridian, Nevada, situated in Clark County, Nevada.
11. Description of proposed works. The water shall be diverted through an existing 10" diameter well and waterline to the mill site, where storage and distribution facilities are located. It is anticipated that the well and facilities will be improved as a part of developing this water.

